



August 7, 2001

## **STAR GAS PARTNERS PRICES OFFERING OF 3.25 MILLION COMMON UNITS AT \$18.55 PER UNIT**

STAMFORD, CT (August 7, 2001) -- Star Gas Partners, L.P. (the "Partnership") (NYSE: SGU, SGH), a diversified energy distributor and services provider - specializing in heating oil, propane, electricity and natural gas, announced today that it has sold 3.25 million Common Units of limited partner interests in a publicly underwritten offering managed by UBS Warburg, A.G. Edwards & Sons, Inc., Lehman Brothers, CIBC World Markets, Dain Rauscher Wessels and First Union Securities, Inc. The offering price was \$18.55 per unit. The net proceeds will be used to fund a portion of the purchase price of the Meenan Oil, Inc. acquisition.

Star Gas Chairman and Chief Executive Officer Irik Sevin, stated, "We view the Meenan acquisition as an excellent strategic fit for Star, providing us with 100,000 new retail heating oil customers in six of our existing geographic areas and two new contiguous markets. Because of their strong historic operating performance and success, Meenan will be operated as a separate business unit under its current management team. We are pleased to be able to finance approximately 50% of the Meenan purchase with the net proceeds from this equity offering, and the remainder with a private placement of institutional debt. We believe this balanced financial profile affords us the flexibility to continue our disciplined growth strategy going forward."

Copies of the final prospectus relating to this offering may be obtained from the offices of UBS Warburg, 299 Park Avenue, New York, NY 10171, A.G. Edwards & Sons, Inc., One North Jefferson Avenue, St. Louis, MO 63103, Lehman Brothers, 3 World Financial Center, 200 Vesey Street, New York, NY 10285, CIBC World Markets, World Financial Center, 200 Liberty Street, New York, NY 10281, Dain Rauscher Wessels, Dain Rauscher Plaza, 60 South 6th Street, 17th Floor, Minneapolis, MN 55402-4422, or from the offices of First Union Securities, 301 S. College Street, TW-10, Charlotte, NC 28288-0606.

Star Gas Partners, L.P., is a leading distributor of home heating oil, propane and deregulated natural gas and electricity. Through its wholly owned Petro subsidiary, Star is the nation's largest retail distributor of home heating oil, serving approximately 385,000 customers in the Northeast and Mid-Atlantic. Star is the nation's eighth largest retail propane distributor, serving approximately 260,000 customers throughout the Midwest and Northeast. Star owns a controlling 72.7% interest in Total Gas and Electric, which sells natural gas and electricity in the Northeast and Mid Atlantic to 70,000 customers.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state.

This news announcement contains certain forward-looking information that is subject to certain risks and uncertainties as indicated from time to time in the Partnership's 10-K, 10-Q, 8-K and other filings with the Securities and Exchange Commission. Included risks and uncertainties are the effects of the weather on the Partnership's financial results, competitive and propane and heating oil pricing pressures and other factors impacting the propane, home heating oil, natural gas and electricity distribution industries.